

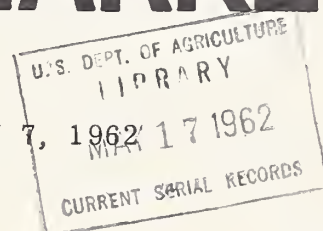
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Foreign CROPS AND MARKETS

FOR RELEASE MONDAY, MAY 7, 1962



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UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE
WASHINGTON 25, D. C.

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GREEK CIGARETTE OUTPUT UP SLIGHTLY

Cigarette production for domestic consumption in Greece during 1961, at 27.1 million pounds, was 2.4 percent greater than the 26.5 million pounds produced in 1960.

The retail price increase in November 1960 caused a shift in the production of brands during 1961. Prices for Popular A and Extra brands were advanced the equivalent of 1 U.S. cent per package of 20; Popular B, .7 cents; and Semi-Luxury, Luxury and Super-Luxury brands, 1.7 cents. As the result of these price increases, the output of Popular A and Popular B brands turned upward after declining for a number of years and accounted for 33.8 percent of total production, compared with 30.6 percent in 1960. Production of both Extra and Semi-Luxury brands turned downward in 1961 after showing upward trends. The output of the Luxury brand continued to rise during 1961.

The range in retail prices for cigarettes per pack of 20, by brands, in forms of U.S. equivalents are as follows: Popular B, 11.7-12.3 cents; Popular A, 14.7-16.0 cents; Extra, 16.7-17.7 cents; Semi-Luxury, 20.7-21.7 cents; Luxury, 24-25 cents; and Super-Luxury, 28.3 cents and up.

MEXICO'S CIGARETTE IMPORTS DOWN

Mexico's imports of cigarettes during 1961, at 97.7 million pieces, were about 9 percent smaller than the 1960 record of 107 million. The decline was attributed to government action limiting the importation of cigarettes to not exceed 5 million packs per year, through restricting the issuance of import permits.

The United States continues to be the principal supplier, accounting for 93 percent of total imports in 1961. Taking from the United Kingdom, although small, have been increasing significantly since the mid-1950's.

ITALY BUYS RHODESIAN FLUE-CURED TOBACCO

A mission representing the Italian Tobacco Monopoly recently visited Salisbury and contracted for 3 million pounds of 1961-crop Rhodesian flue-cured tobacco.

The Monopoly officials stated that the leaf was required for experimental blending with Italian tobaccos. Italian smokers are expected to react favorably to the new blends containing Rhodesian tobacco, according to a Monopoly spokesman.

This is a new development in Rhodesian-Italian tobacco trade relations. (In 1954, Rhodesia exported 22,000 pounds of flue-cured tobacco to Italy).

COLOMBIA'S TOBACCO EXPORTS SET RECORD

Colombia's exports of unmanufactured tobacco during 1961 totaled 19.2 million pounds, exceeding all previous calendar years.

The United States has become Colombia's leading export market, surpassing both West Germany and France. Shipments to the United States totaled 5.3 million pounds, compared with 1.5 million in 1960.

Other countries stepping-up their takings of Colombian tobaccos include France, Morocco, the United Kingdom, Belgium, Switzerland, Spain, and the Malagasy Republic. New markets for Colombian leaf during 1961 included the Republic of the Congo, the Canary Islands, and Sweden.

Average export prices per pound, for leaf exports to major destinations in 1961, in terms of U.S. equivalents were: the United States 20 cents; West Germany 24 cents; Morocco 15 cents; France 23 cents; the United Kingdom 23 cents; Algeria 16 cents; and the Netherlands 21 cents.

TOBACCO, UNMANUFACTURED: Colombia, exports by country of destination, 1959-61

Country of destination	1959	1960	1961 <u>1/</u>
	1,000	1,000	1,000
	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>
United States.....	13	1,531	5,268
Germany, West.....	7,111	6,912	4,703
Morocco.....	---	446	2,329
France.....	1,233	1,610	1,866
United Kingdom.....	---	188	1,757
Algeria.....	1,061	1,038	812
Netherlands.....	929	1,093	631
Others.....	679	1,205	1,797
Total.....	11,026	14,023	19,163
<u>1/</u> Preliminary.			

RHODESIAN FLUE-CURED PRICES STRONG

Prices of 1962-crop flue-cured tobacco at auctions in Salisbury, Southern Rhodesia, averaged the equivalent of 49.4 U.S. cents per pound through the fifth week of sales ended April 12. This figure compared with 40.2 cents for the corresponding period a year ago.

A comparison of average season price with the average for the first 5 weeks of sales beginning with the 1956 season are shown in the following table.

TOBACCO, FLUE-CURED: Southern and North Western Rhodesia, average auction price, in Salisbury, season compared with first 5 weeks, 1956-62

Season	Season average price at auction	Average auction price for first 5 weeks
	<u>U.S. cents per pound</u>	<u>U.S. cents per pound</u>
1956.....	38.2	38.5
1957.....	45.9	45.6
1958.....	42.5	36.1
1959.....	40.2	26.9
1960.....	39.9	37.0
1961.....	39.5	40.2
1962.....	---	49.4

AUSTRALIA RAISES TOBACCO MIXING REQUIREMENT

Effective July 1, 1963, Australian tobacco manufacturers must use more domestic tobacco in their products to qualify for duty concessions on the imported portion of leaf they use.

A minimum of 43 percent domestic tobaccos must be used in both cigarettes and cut tobacco, according to the Australian Minister of Customs and Excise. For the year beginning July 1, 1962, the mixing percentages will be 43 percent for cigarettes and 40 percent for cut tobacco.

TOBACCO: Australia, minimum percentages of domestic leaf, used by manufacturers to qualify for duty-concessions on imported leaf, 1958-63

Year beginning July 1	Cigarette manufacture	Cut tobacco manufacture
	<u>Percent</u>	<u>Percent</u>
1958.....	15.5	16.5
1959.....	22.0	23.5
1960.....	28.5	24.5
1961.....	35.0	32.0
1962.....	43.0	40.0
1963.....	43.0	43.0

To enforce the proper functioning of the mixing percentage system, the government has introduced legislation whereby the granting of the concessional rate of import duty will be made conditional upon manufacturers meeting certain requirements as to satisfactory minimum holdings of domestic leaf. The aim of this measure is to secure the maximum market possible for domestic leaf each season.

AUSTRALIAN MEAT SHIPMENTS TO THE UNITED STATES

Five ships left Australia the first 2 weeks in April with 8,748,640 pounds of beef, 2,058,560 pounds of mutton and 73,920 pounds of lamb for the United States.

Ship	Sailing date	Destination <u>1/</u>	Arrival date	Cargo	Quantity
					<u>Pounds</u>
Caroline Horn	April 3	San Francisco	May 1	Beef	322,560
		" "	" "	Mutton	78,400
		Los Angeles	" 3	Beef	987,840
		" "	" "	Mutton	481,600
		Seattle	---	Beef	71,680
		"	---	Mutton	33,600
Pioneer Star	April 3	Huston	May 3	"	78,400
		New York	" 14	Beef	98,560
		" "	" "	Mutton	33,600
		Philadelphia	" 16	"	29,120
City of Canberra	April 7	Charleston	May 1	Beef	190,400
		"	" "	Mutton	448,000
		Boston	" 5	Beef	741,440
		"	" "	Mutton	35,840
		"	" "	Lamb	73,920
		New York	" 8	Beef	3,398,080
		" "	" "	Mutton	553,280
		Philadelphia	" 13	Beef	815,360
		"	" "	Mutton	107,520
Orsova	April 10	San Francisco	April 29	Beef	463,680
		" "	" "	Mutton	67,200
		Los Angeles	May 2	Beef	80,640
Ragna Bakke	April 10	Seattle	" 27	"	161,280
		Portland	June 3	"	183,680
		Los Angeles	" 16	"	499,520
		San Francisco	" 20	"	259,840
		" "	" "	Mutton	112,000

1/ Cities listed indicate location of purchaser and usually the port of arrival and general market area, but the meat may be diverted to other areas for sale.

NIGERIA ADJUSTS EXPORT TAXES ON HIDES AND SKINS

Nigeria sharply reduced its export duties on wet salted cattle hides effective March 30, 1962, but increased duties on exports of dry cattle hides and sheep and goat skins.

The export tax on wet salted cattle hides was reduced from \$62 to \$26 per long ton. The tax on undressed goat skins increased from \$168 to \$210 per ton. Changes for other types are outlined below:

	<u>Old tax</u>	<u>New tax</u>
Dry cattle hides	\$ 61.60	\$ 77.00
Wet cattle hides	61.60	25.67
Dressed goat skins	14.00	17.50
Undressed goat skins	168.00	210.00
Dressed sheep skins	14.00	17.50
Undressed sheep skins	98.00	122.10

During 1961 the United States imported \$2.4 million of goat skins and \$0.5 million of sheep skins from Nigeria. In 1960 U.S. imports included \$3.5 million of goat skins, \$0.5 million of sheep skins, and a small amount of calf skins.

NICARAGUA EXPORTS MORE BEEF

Nicaragua exported about 15 million pounds of beef in 1961, compared with 11 million in 1960 and 5 million in 1959. Most exports were to the United States.

Exports of beef and cattle were the equivalent of 63,000 head in 1961--more than 1,000 head higher than the peak in 1959. However, exports in 1959 consisted mainly of slaughter cattle while in 1961 about 75 percent of exports was carcass or boned beef. Nicaragua expects to have about 70,000 head of cattle available for export in 1962 and about 93,000 by 1966.

The United States was the major market for Nicaraguan beef in 1961. U.S. beef imports from Nicaragua amounted to 14.5 million pounds compared to 10 million pounds in 1960. Imports consisted mainly of boneless beef, although the total included about 1 million pounds of carcass beef.

U.S. INCREASES PORK AND TALLOW SALES TO VENEZUELA

U.S. pork exports to Venezuela have increased considerably, despite strict import controls. U.S. exports rose from 4 million pounds in 1959 to 6 million pounds in 1961. There has also been a steady rise in U.S. exports of inedible tallows and greases which reached 12 million pounds in 1961 compared with 9 million in 1959.

(Continued)

Importers in Venezuela must purchase definite amounts of local pork in order to bring in supplies from other countries. Venezuelan dealers are permitted to buy 4 pounds of imported ham or shoulder for every pound of hogs slaughtered from local production; 6 pounds of foreign ham and shoulder for each pound of domestic carcass pork produced; or 10 pounds of imported ham and shoulder for each pound of ham or shoulder purchased locally.

During 1959-61 U.S. exports of fresh and frozen pork to Venezuela rose from 35,000 to 4,974,000 pounds. In contrast, exports of canned pork declined from 3,381,000 pounds to 325,000 pounds.

The United States is Venezuela's principal supplier of animal tallows and greases. Most of this product is used in soap making but some is being incorporated in prepared animal feeds.

MEAT PRODUCTS: U.S. exports to Venezuela, 1959-61

Item	1959	1960	1961
	1,000	1,000	1,000
	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>
Beef and veal.....	1,024	781	103
Pork.....	4,053	5,148	6,404
Lamb and mutton.....	45	38	42
Sausage (canned and uncanned)....	973	911	252
Other canned meat.....	356	187	93
Baby food (canned).....	808	975	117
Variety meats.....	---	15	32
Total meats.....	7,259	8,055	7,043
Animal casings.....	2	2	7
Inedible tallow and greases.....	8,791	7,590	12,234
Edible tallow and greases.....	206	62	121
	1,000	1,000	1,000
	<u>pieces</u>	<u>pieces</u>	<u>pieces</u>
Hides and skins:			
Cattle.....	21	64	51
Calf and kip.....	--	5	9
Sheep and lamb.....	17	123	310

PHILIPPINE MEAT PRODUCT IMPORTS MAY RISE

Philippine imports of meat products are expected to rise and U.S. firms may be able to share in this increased trade.

Generally, prices in the Philippines have increased as a result of devaluation of the peso. Also, on March 12 the government eliminated the requirement that importers post time and reserve deposits equaling 50 percent of the value of the commodity imported. The desposits tied up importers' funds for at least 120 days and increased business costs.

The outlook for a continued increase in U.S. exports of inedible tallow to the Philippines is favorable since this item is considered an essential producer item and imports are not unduly restricted. U.S. shipments of inedible tallows and greases totaled 18.1 million pounds in 1960 but increased to 21.2 million in 1961.

Raw and semi-tanned hides of cattle, buffalo, horses, mules, and donkeys are also classed as essential producer items but the U.S. has not been able to ship much of these to that country.

Canned beef hash, corned beef, and corned beef loaf are all decontrolled items and increased imports are expected in the short term. U.S. exports of meats to the Philippine Republic in 1961 amounted to 273,000 pounds. The Philippines imports fairly large numbers of cattle and buffalo for slaughter and some fresh beef and veal from nearby countries which are also on the decontrolled list. Cattle for breeding is another decontrolled item.

MEAT PRODUCTS: U.S. exports to the Philippine Republic, 1959-61

Item	1959	1960	1961
	1,000	1,000	1,000
	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>
Inedible tallow and greases.....	15,508	18,130	21,195
Edible tallow.....	296	204	78
Meats (except poultry).....	438	465	273
Sausage casings.....	13	6	7
	1,000	1,000	1,000
	<u>pieces</u>	<u>pieces</u>	<u>pieces</u>
Cattle hides and kip skins.....	28	23	14

U.K. LARD IMPORTS UP IN FIRST 2 MONTHS OF 1962

Lard imports into the United Kingdom increased 38 percent in the first 2 months of 1962 compared with the same period last year.

Purchases from the United States in January and February totaled 56.5 million pounds, an increase of 72 percent; reflecting lower prices as compared to early 1961. At the same time, imports from France and Denmark dropped sharply while imports from Poland increased more than four times.

U.S. lard accounted for 80 percent of the total U.K. imports in the 2 months, compared with 64 percent a year earlier. France's share of the market declined to 5 percent from 21 percent last year.

LARD: United Kingdom imports by country of origin, and percentage of total, January-February 1961-62

Origin	January-February 1961		January-February 1962	
	Quantity	Percent of total	Quantity	Percent of total
	1,000 pounds	Percent	1,000 pounds	Percent
United States.....	32,835	64.1	56,523	80.1
France.....	10,544	20.6	3,457	4.9
Denmark.....	3,172	6.2	2,551	3.6
Belgium.....	2,019	3.9	2,661	3.8
Netherlands.....	1,210	2.4	918	1.3
Poland.....	884	1.7	3,772	5.4
Sweden.....	291	0.6	476	0.7
Canada.....	148	0.3	39	---
Others.....	108	0.2	169	0.2
Total.....	51,211	100.0	70,566	100.0

Henry A. Lane and Co., Ltd.

NEW SLAUGHTER PLANT UNDER CONSTRUCTION IN COSTA RICA

Construction of a large modern slaughter house was started in January at Montecillos, Costa Rica, about 16 miles west of San Jose.

The new plant will insure a hygienic supply of meat to the Central Plateau area and eventually may provide supplies for export. Upon completion, the less modern slaughter facilities now being used will be closed.

The new plant is designed with a capacity of from 500 to 600 cattle a day, and a maximum of 50 hogs an hour. Slaughter is not expected to exceed 150 to 200 head of cattle and about 100 head of hogs per day when it begins operation in late 1962. It will also have a freezing capacity for about 8,000 pounds of meat per hour and storage capacity for 1.3 million pounds of frozen boneless beef.

Operations will be carried out under the direction of a newly formed co-operative. Management will be by a board of seven directors who will select the plant manager from a list of three persons chosen by the general membership.

U.S. GRASS AND LEGUME SEED EXPORTS DOWN 29 PERCENT

U.S. grass and legumes seed exports for the July 1961-February 1962 period amounted to 36,908,000 pounds, a drop of 29 percent from the same period last crop year when exports were 51,671,000 pounds.

With the exception of bentgrass and timothy seed, all shipments are well below the 1960-61 record.

GRASS AND LEGUME SEEDS: U.S. exports, February 1961 and 1962, with comparisons

Kind of seed	February		July 1-February 28	
	1961	1962	1960-61	1961-62
	1,000	1,000	1,000	1,000
	pounds	pounds	pounds	pounds
Alfalfa, certified.....	785	803	4,913	4,260
Alfalfa, uncertified.....	553	195	3,045	1,761
Alfalfa, total.....	1,338	998	7,958	6,021
Alsike.....	25	3	80	72
Ladino.....	270	247	1,399	1,364
Clovers, other.....	170	383	5,380	2,868
Bentgrass.....	464	409	2,313	3,654
Fescues.....	1,141	607	6,219	4,552
Kentucky bluegrass.....	356	0	1,082	287
Orchardgrass.....	42	0	186	174
Redtop.....	100	136	1,427	1,140
Timothy.....	400	487	2,984	3,080
Grasses, other.....	982	1,206	22,643	13,696
Total.....	5,288	4,476	51,671	36,908

THAILAND REVISES RICE
EXPORT PREMIUMS UPWARD

Thailand increased premiums on rice exports on April 3.

Rates were revised because of the high export level in the first quarter of this marketing year and a continuing strong foreign demand. Exports from January through March totaled 545,153 metric tons, compared with 493,937 in the same months of 1961.

RICE: Thailand, export premiums, effective April 3, 1962,
and old premiums

Types and grades	Effective date	
	April 3, 1962	June 6, 1961
	U.S. Dollars per 100 lbs.	U.S. Dollars per 100 lbs.
White rice:		
Whole, 100%, and 5%, 10% 15%, and 20% broken.....:	2.05	1.92
Whole, 25%, 35% and 45% broken.:	1.51	1.40
Broken, A-1 Extra super.....:	1.68	1.56
Broken, A-1 Super, A-1 Special, and A-1 Ordinary.....:	1.30	1.17
Broken, other grades.....:	1.19	1.08
Glutinous:		
Whole, all grades.....:	1.30	1.30
Broken, all grades.....:	0.76	0.76
Cargo:		
Whole, 100%, and 5%, 10%, 15%, and 20% broken.....:	1.40	1.30
Whole rice, 25%, 35%, and 45%....:	1.19	1.08
Broken, other grades.....:	.86	.76
Parboiled:		
Whole, all grades.....:	1.30	1.19
Broken, all grades.....:	.80	.69
Flour:		
Coarsely ground.....:	.69	.69
Finely ground.....:	.65	.65
Vermicelli made from rice.....:	.22	.22

Ministry of Economic Affairs.

The premiums are paid by exporters to the government, and are designed to hold government revenue at a maximum and at the same time keep Thai rice competitive in international trade.

The new rates apply to all types of white milled and cargo rice. Rates for glutinous rice and rice flour were unchanged.

AFRICAN COMMON MARKET NOW BEING FORMED

Several African countries are taking steps to form a Common Market.

The Economic Committee of the Casablanca Charter States (Algeria, Morocco, Guinea, Ghana, Mali, and Egypt), recently met in Cairo and adopted the following general plans.

Under the agreement, member states agree to establishment of a customs union; coordination of the tariffs, customs systems, and legislations applied in each of them; adoption of a common policy in relation to basic products; and the unification of customs classification methods.

Each member state within 5 years from date of validity of the agreement agrees to abolish all tariffs on its imports from the other member countries through progressive reductions starting with 25 percent the first year.

A permanent body called the African Common Market Council shall be set up to supervise implementation of the agreement. It is to be domiciled permanently in Casablanca, but may meet at such other places as will be selected by the members.

Market is to be open to all African states and to be based on free exchanges of goods and products; free residence, labor, and employment for exercise of commercial activities; and free transport and transit and free use of transport facilities, ports, and civil airports.

At the Cairo meeting, the Economic Committee also signed agreements to establish a development bank, a payments union, an aviation organization, a navigation and marine transport organization, an "economic unity" council, and a federation of international air transport companies.

The Committee consists of the Minister of Economy of each member state and will hold a meeting in January and July of each year. The meetings will be held in the member countries by rotation in alphabetical order. The next meeting will be in Tangiers on July 30. The headquarters of the Committee's Permanent Secretariat will be in Cairo.

BRAZIL PROHIBITS INCREASE IN DOMESTIC FLOUR MILLING CAPACITY

Brazil is prohibiting further increases in its flour milling capacity.

The reason for this action is that though this country's wheat consumption averages only 2.4 million metric tons, its mills are capable of grinding over 8 million tons annually.

The Wheat Expansion Service of the Ministry of Agriculture (SET) will issue no additional authorizations either for the building of new flour mills or for increases in the capacity of existing mills.

Authorizations which the SET has already issued for construction of flour milling facilities which are close enough to completion for inspections, or to have been inspected, by SET will remain valid. However, in the case of new milling facilities 50 percent of the construction of which had not been completed by December 24, 1961, the SET authorizations will be revoked.

The SET will issue no quotas for domestic or imported wheat for grinding in newly created milling capacity until 6 months after it has issued the needed building and equipment inspection certificates. (Brazilian flour mills are each year permitted to purchase only the individual total quotas of domestic and foreign wheat fixed by SET.)

FINLAND'S IMPORT QUOTAS OF SOVIET GRAINS CHANGED

The 1962 protocol to the Soviet-Finnish 5-year trade agreement which began in 1958 has been changed to provide for Finnish imports of 40,000 metric tons (1,470,000 bushels) less wheat and 40,000 tons (1,575,000 bushels) more rye from the U.S.S.R.

The protocol originally provided for 250,000 tons (9,186,000 bushels) of wheat and 20,000 tons (787,400 bushels) of rye. The quantities now are 210,000 tons of wheat and 60,000 tons of rye. The protocol also requires Finland to import 20,000 tons (787,400 bushels) of Soviet corn.

Under the protocol as changed, Finland will import 65,000 tons more wheat, 35,000 tons more rye, but 10,000 less tons of corn from the Soviet Union in 1962 than in 1961. However, Finland is permitted to resell 40,000 tons of Soviet wheat to other countries for delivery next autumn direct from Black Sea ports.

FROZEN STRAWBERRIES ARRIVE FROM MEXICO

A preliminary report on frozen strawberry imports from Mexico for the week ending April 28 shows 1.0 million pounds to the United States and .2 million pounds to Canada.

CANADA WITHDRAWS POTATO
DUTY VALUATION

Effective April 30, 1962, the Canadian Government removed the duty valuation applied to potatoes entering Canada from Port Arthur west. The valuation for duty purposes was made effective August 5, 1961, with a declared value of \$2.78 per cwt., f.o.b. shipping point. The original action was taken under Section 40A (7) (b) of the revised Canadian Customs Act.

MEXICO TRANSSHIPS
LESS COTTON

Transshipments of Mexican cotton through U.S. ports during the first 5 months (August-December) of the current season totaled 252,000 bales (500 pounds gross). This figure is more than one-third lower than the 388,000 bales shipped in the same months of 1960-61, and is the smallest volume of transshipments for this period since 1949-50.

Quantities transshipped to principal destinations during August-December 1961, with comparable 1960 figures in parentheses, were: Japan 41,000 bales (46,000); Spain 40,000 (11,000); France 31,000 (72,000); West Germany 30,000 (102,000); Italy 27,000 (51,000); Rumania 20,000 (0); Switzerland 12,000 (17,000); and United Kingdom 12,000 (18,000). Most August-December transshipments moved through Brownsville, with small shipments through San Diego, Beaumont, Galveston, Houston, Los Angeles, and Corpus Christi.

Transshipments in December were 49,000 bales, against 36,000 in November, and 37,000 in December 1960.

U.S. COTTON LINTERS
IMPORTS RISE

United States imports of cotton linters, mostly felting qualities, amounted to 151,000 bales (500 pounds gross) in the first two-thirds (August-March) of the current season. This was an increase of 62 percent from the 93,000 imported in the first 8 months of 1960-61, and the largest imports for this period since August-March 1952-53 when 185,000 bales were imported.

Imports increased from most countries shipping linters to the United States during the period under review. Quantities supplied by principal sources from August 1961 through March 1962, with comparable 1960-61 figures in parentheses, were: Mexico 84,000 bales (52,000); U.S.S.R. 21,000 (16,000); Brazil 18,000 (5,000); Argentina 9,000 (3,000); El Salvador 6,000 (1,000); Guatemala 5,000 (2,000); and Turkey 4,000 (2,000).

Linters imported in March totaled 21,000 bales, compared with 25,000 in the preceding month, and 14,000 in March 1961.

ACTIVITY OFF IN BELGIAN COTTON TEXTILE INDUSTRY

Activity in the cotton textile industry in Belgium lagged behind last season's rate during the first 5 months of the current season. As in most other Western European consuming countries, cotton consumption in Belgium is off slightly this season in the face of relatively high inventories of goods, stiff competition from imported textiles, and reduced profit margins because of generally lower prices for finished textiles.

Cotton consumption totaled 174,000 bales (500 pounds gross) in the first 5 months (August-December) of the current season. This is 5 percent below the 183,000 bales used in comparable months last season. It now appears likely that consumption in the full 1961-62 season will fall moderately below the 425,000 bales used in 1960-61, if the reduced rate of mill activity continues for several months as expected.

In line with the reduced level of mill offtake, Belgium's cotton imports this season probably will decline considerably from last season's figure of 430,000 bales. Imports declined to 176,000 bales in the first 5 months of this season, from 187,000 in the same 1960-61 period. Imports from the United States and the Republic of the Congo, usually Belgium's largest suppliers, fell sharply during the period under review. Shipments from the United States apparently declined because of stiffened price competition, while reduced takings from the Congo undoubtedly reflect the smaller exportable supplies in that country.

Quantities imported from principal sources from August through December 1961, with comparable 1960 figures in parentheses, were: Turkey 44,000 bales (21,000); United States 37,000 (66,000); Brazil 31,000 (19,000); Republic of the Congo 12,000 (35,000); Nigeria 10,000 (0); Peru 9,000 (5,000); and Argentina 6,000 (3,000).

With consumption expected to be off moderately and imports well below the previous season, stocks at the end of this season are likely to be considerably lower than relatively large beginning stocks of 162,000 bales.

COTTON PRODUCTION IN COLOMBIA SETS NEW RECORDS.

Cotton production in Colombia set another new record this season, in response to increased acreage, favorable growing conditions, and relatively high producer price supports.

The 1961-62 crop is now estimated at 350,000 bales (500 pounds gross). This is 14 percent larger than the 307,000 bales grown last season, and 76 percent above average annual production of 199,000 bales in the past 5 seasons.

Acreage devoted to cotton this season climbed to over 400,000 acres, from 359,000 in the preceding year. During the current season, acreage rose substantially in Valle del Cauca, Magdalena, and several less important producing regions. On the other hand, the area devoted to cotton fell sharply in Guajira. Present indications are that still larger acreage will be planted to cotton in 1962. The planned increase could be modified, however, since larger cotton acreage means smaller area in other crops unless more land is brought into cultivation.

Exports of 52,000 bales of cotton from Colombia during the first 5 months (August-December) of the current season were considerably below the 86,000 bales shipped in the same months of 1960-61, when substantial quantities of cotton were available from previous crops. Quantities shipped to major destinations from August through December 1961, with comparable 1960 figures in parentheses, were: United Kingdom 22,000 bales (11,000); West Germany 10,000 (27,000); Netherlands 9,000 (3,000); and Italy 2,000 (5,000).

Exports during the full 1961-62 season may moderately exceed the 110,000 shipped last season, in view of larger export availabilities.

Since 1959, when Colombia again became a net exporter of raw cotton after a 50-year lapse, imports have totaled only a few thousand bales. Nearly all cotton imported into Colombia beginning with the 1959-60 season came from Peru, while prior to 1959-60 the United States supplied the major portion.

Cotton consumption has also trended upward in recent years. Domestic offtake amounted to 98,000 bales during August-December 1961, compared with 96,000 in the same 1960 period. Consumption for the full 1961-62 season is now expected to about equal the 230,000 bales used last season. If consumption and exports meet expectations, stocks at the end of this season will have remained near the 70,000 bales on hand last August 1.

VENEZUELAN SESAME IMPORTS TO INCREASE SHARPLY

Venezuela, whose 1961 imports of sesame seed amounted to about 25,500 short tons, is expected to import a record 39,500 tons in 1962. The expected increase from the previous year results mainly from two factors: (1) Indigenous production of sesame seed and imports have not kept pace with increased demand; and (2) to satisfy the taste preference of Venezuelans for sesame oil, crushers have decided against mixing other oils with sesame oil and, at the same time, thereby uphold the reputations of established brands of sesame oil.

Production of the crop now being harvested is expected to be slightly less than in 1961, and could drop below the 26,500 tons estimated if rains prevent completion of the already lagging harvest.

Additional impetus to increased imports of sesame seed is the fact that beginning stocks, which in 1960 amounted to about 10,000 tons were depleted and virtually no supplies were carried into 1961 or 1962.

According to trade sources, barring adverse weather and major difficulties with respect to farmers getting credit for purchase of seed and other costs, output of sesame seed is expected to reach 33,000 to 39,000 tons in 1963. With this rise in production, imports also from 33,000 to 39,000 tons probably will be required in 1963 as consumption of sesame oil continues to rise.

SESAME SEED: Venezuela, supply and distribution,
calendar years 1960-62

Item	1960	1961	1962 Forecast
	1,000	1,000	1,000
	short	short	short
	<u>tons</u>	<u>tons</u>	<u>tons</u>
Supply:			
Opening stocks (January 1).....	10.4 <u>1/</u>	---	---
Production.....	17.9	27.4	26.5
Imports.....	15.0	25.5 <u>1/</u>	39.5
Total supply.....	43.3	52.9	66.0
Distribution:			
Consumed domestically.....	43.3 <u>1/</u>	52.9	66.0
Total distribution.....	43.3	52.9	66.0
	1,000	1,000	1,000
	<u>acres</u>	<u>acres</u>	<u>acres</u>
Planted area.....	110.6	108.7 <u>1/</u>	118.6

1/ Official estimate.

SWEDEN'S RAPESEED PRODUCTION UP
SHARPLY; COPRA IMPORTS DOWN

Sweden, whose 1960-61 rapeseed production because of unfavorable weather amounted to only about 60,800 short tons, has nearly doubled its production in 1961-62. Rapeseed is the primary oilseed crop in Sweden, accounting for more than four-fifths of its total oilseed production. Although exports of the crop are expected to be up sharply in 1961-62, they would comprise only slightly more than 10 percent of the total domestic production.

RAPESEED, COPRA, AND TOTAL OIL-BEARING MATERIALS: Sweden,
supply and distribution, 1960-61, 1961-62 1/

Item	Rapeseed		Copra		Total oil-bearing materials	
	1960-61	1961-62	1960-61	1961-62	1960-61	1961-62
	:	:	:	:	:	:
	- - - - - 1,000 short tons - - - - -					
Supply:						
Stocks, July 1.....	23.9	15.7	2.7	4.2	30.5	23.6
Production.....	60.8	116.2	---	---	67.6	134.6
Imports.....	---	---	85.7	73.8	92.3	104.4
Total supply.....	84.7	131.9	88.4	78.0	190.4	262.6
Distribution:						
Exports.....	4.9	13.2	---	---	4.9	14.3
Crushing.....	61.4	99.3	80.5	72.5	152.2	216.6
Feed, seed, and waste.....	2.7	2.2	3.7	3.3	9.7	8.7
Stocks, June 30.....	15.7	17.2	4.2	2.2	23.6	23.0
Total Distribution....	84.7	131.9	88.4	78.0	190.4	262.6

1/ Marketing year beginning July 1.

Imports account for about two-fifths of the Swedish oilseed supply and consist largely of copra from the Philippines. Copra imports in 1961-62 are expected to be down about 14 percent from the previous year. However, total imports of oil are expected to rise by more than one-tenth. The increase is largely accounted for by imports of 22,000 tons (734,000 bushels) of soybeans. This is the largest importation of soybeans since the prewar years. In view of present extraction capacity, it is likely that imports of soybean oil will be substantially reduced in 1962-63 in favor of soybeans.

JAPAN TO EXPAND SOYBEAN IMPORTS
MODERATELY; MEAL IMPORTS SHARPLY

Japan may import about 46 million bushels of soybeans in calendar year 1962, or 3 million more than the 42.6 million imported in 1961. However, imports of soybean meal are expected to approximate 90,000 short tons compared with 62,000 tons in 1961 and only 868 tons in 1960. While the demand for soybean oil is increasing rather slowly, the demand for soybean meal is increasing sharply.

SOYBEANS AND SOYBEAN MEAL: Japan, supply
and distribution, calendar years 1960
and 1961 and forecast 1962

Item	Soybeans			Soybean meal		
	1960	1961	Forecast: 1962	1960	1961	Forecast: 1962
	Million bushles			1,000 short tons		
Supply:						
Opening stocks,						
January 1.....	1.4	1.8	3.6	31.4	20.7	46.9
Production.....	15.3	14.2	13.1	773.4	784.2	882.7
Imports.....	41.5	42.6	45.9	.9	62.1	88.2
Total supply.....	58.2	58.6	62.6	805.7	867.0	1,017.8
Distribution:						
Exports.....	<u>1</u> /	<u>1</u> /	<u>1</u> /	3.7	<u>2</u> /	<u>2</u> /
Human consumption....	19.5	17.9	17.9	368.1	369.9	390.2
Feed, seed and waste..	3.1	2.8	2.6	413.2	450.2	583.5
Crushed.....	33.8	34.2	38.5	---	---	---
Ending stocks.....	1.8	3.6	3.6	20.7	46.9	44.1
Total distribution..	58.2	58.6	62.6	805.7	867.0	1,017.8
<u>1</u> / Less than 50,000 bushels. <u>2</u> / Less than 50 tons.						

The liberalization of soybean imports on July 1, 1961 (Foreign Crops and Markets, July 17, 1961) and the expectation of liberalization of soybean meal and oil have had a relatively minor effect thus far upon domestic price levels of oil and fat products and utilization patterns. But they have radically altered the economic situation of the oil crushing industry, whose profit margins have been sharply curtailed. This situation exists because of the increase in prices of imported soybeans and because of the sizable duty increase (from 10 to 13 percent ad valorem, but not to exceed 4,800 yen--equivalent to U.S. \$13.33--per metric ton), which became effective at the time of liberalization.

Such being the case, liberalization moves (with respect to meal and oil) by the government have been partially forestalled. In the meantime all crushing mills continue to operate at far below capacity.

Various forms of relief are being studied, such as: promotion of oil exports; lowering of the import duty on soybeans; increasing import duties on certain products, particularly soybean meal; and various schemes centering upon cartelization, and voluntary curtailment of imports. The outcome of current efforts toward reorganization may not be clear until the end of this calendar year by which time the government seems committed to carry out further import liberalization moves on oils and oilcakes and meals. Although previously scheduled for April 1, 1962, present plans call for the liberalization of soybean meal on or before October 1, 1962.

Japanese crushers are appealing to the government to lower the duty on soybeans imported for crushing because they are not competitive with domestic soybeans and, at the same time, are suffering from the liberalization of other oilseeds. A reduction of 2 to 3 percent is being considered—that is to a level of 11 or 10 percent.

A trade conference between Japan and Communist China was to have been held in mid-April. Communist China reportedly was prepared to contract for exports of 100,000 metric tons (3.7 million bushels) of soybeans to Japan (Foreign Crops and Markets, April 9, 1962). However, as Japanese crushers dislike Chinese beans because of their low oil content, it appeared that only about 50,000 tons (1.8 million bushels) would be contracted. In 1961, Communist China supplied less than 1.6 million bushels of Japan's total imports of soybeans, whereas the United States supplied almost 40.5 million bushels. About 98 percent of the soybean meal imports in 1961 were from the United States.

DUTCH EXPORT MORE CANNED MILK; LESS OF OTHER DAIRY PRODUCTS

During 1961, exports of all types of canned milk from the Netherlands at 671 million pounds were up 2 percent from 1960. Shipments of other dairy products were down.

Evaporated milk exports rose from 258 million pounds to 270 million pounds. Among the important markets were Nigeria 19 million pounds; Ghana 17 million pounds; Hong Kong and Malta 16 million pounds each; the United Kingdom 15 million pounds; Thailand 14 million pounds; Burma 13 million pounds; and Peru and the Republic of the Philippines 11 million pounds each.

Exports of condensed whole milk dropped from 346 million pounds to 341 million pounds. About 67 percent of 1961 shipments went to countries in Asia. Thailand was again the most important market, taking 62 million pounds. Other major outlets were Malaya 40 million pounds; Singapore 32 million pounds; Philippine Republic 29 million pounds; and Burma 24 million pounds.

Some increase was reported in trade in condensed skimmed milk—60 million pounds compared with 51 million last year. About half the 1961 shipments went to countries in Asia; most of the remainder went to countries in Africa.

Exports of dry whole milk dropped 23 percent to 71 million pounds. Much smaller shipments to Venezuela, Belgium, and West Germany accounted for the decline.

Sales of nonfat dry milk at 4 million pounds were little more than half those of 1960.

Exports of cheese (largely Gouda cheese) were down from 240 million pounds to 238 million. The countries making the heaviest purchases were West Germany 120 million pounds; Belgium 50 million pounds; and the United Kingdom 17 million pounds. Somewhat larger sales were made to the United States and Sweden in 1961.

Butter shipments, only 69 million pounds compared with 86 million pounds last year, went mostly to the United Kingdom 35 million pounds; Italy 13 million pounds; and West Germany 8 million pounds.

GERMANY OPENS FOR CANNED APPLES AND APPLE/TANGERINE MIXTURES

A global import tender for canned apple sections and apple/tangerine mixtures, in retail size containers, was published by the West German Government on April 19, 1962.

Application deadline for import licenses is July 30, 1962. The deadline for customs clearance is July 31, 1962.

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